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3/18/88

A Bill To establish an Inspector General for the CIA.

The Central Intelligence Agency Act of 1949 is amended by adding after Sec 16 the following:

" INSPECTOR GENERAL FOR THE CENTRAL INTELLIGENCE AGENCY"

"Sec 17. (a) Purpose; Establishment. In order to create an objective and effective unit, appropriately accountable to the Congress, to initiate and conduct independently, inspections, investigations and audits relating to programs and operations of the Central Intelligence Agency, there is hereby established in the CIA an office of Inspector General.

"(b) Appointment and Removal. There shall be at the head of the Office an Inspector General who shall be appointed by the Director of Central Intelligence. This appointment shall be made without regard to political affiliation and shall be made solely on the basis of integrity, the security standards of the CIA and on prior experience in the field of foreign intelligence. Such appointment shall also be made on the basis of demonstrated ability in accounting, financial analysis, law, management analysis or public administration. The Inspector General shall report directly to and be under the general supervision of the Director of Central Intelligence.

"(c) The Director may prohibit the Inspector General from initiating, carrying out, or completing any audit, inspection or

investigation, or from issuing any subpoena, concerning only ongoing operations, and only if he determines that such prohibition is necessary to protect vital national security interests of the United States.

"(d) If the Director exercises any power under subsection (c) of this section, he shall submit an appropriately classified statement of the reasons for the exercise of the power within seven (7) days to the Senate Select Committee on Intelligence and the House Permanent Select Committee on Intelligence.

"(e) The Inspector General may be removed from office only by the Director of Central Intelligence. The Director shall immediately communicate in writing to the Senate Select Committee on Intelligence and the House Permanent Select Committee the reasons for any such removal.

"(f) Duties and Powers. (1) It shall be the duty and responsibility of the Inspector General appointed under this Act--

"(A) to provide policy direction for and to conduct, supervise, and coordinate independently, the inspections, investigations and audits relating to the programs and operations of the CIA to assure they are conducted efficiently and in accordance with applicable law and regulations; and

"(B) to keep the Director fully and currently informed concerning violations of laws and regulations, fraud and other serious problems, abuses and deficiencies and to report the progress made in implementing corrective action.

"(2) In the event the Inspector General is unable to resolve any differences with the Director on the execution of his duties and powers, he shall report such matter to the Senate Select Committee on Intelligence and the House Permanent Select Committee on Intelligence within seven (7) days.

"(g) The Inspector General shall have the power to issue subpoenas, as may be necessary, to carry out his work. In addition, he shall have direct access to all records and direct and prompt access to the Director when necessary for any purpose pertaining to the performance of his duties.

"(h) Reports. The Inspector General shall not later than April 30 and October 30 of each year, prepare a classified semiannual report summarizing the activities of the Office during the immediately preceding six-month periods ending March 31 and September 30. Such reports also should include information contained in subsection (f)(1)(B).

"(i) Classified semiannual reports of the Inspector General shall be furnished to the Director not later than April 30 and October 30 of each year and shall be transmitted by him to the Senate Select Committee on Intelligence and to the House Permanent Select Committee on Intelligence Representatives within 30 days after receipt, together with any comments he deems appropriate."